

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Case No. 19-24145 (RDD)
: :
TRIAX CAPITAL ADVISOR LCC, : (Chapter 11)
: :
Debtor. : :
: :
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DECLARATION OF GREG M. ZIPES

Pursuant to 28 U.S.C. § 1746, Greg M. Zipes declares as follows:

1. I am an attorney with the Office of the United States Trustee for Region 2 (the “United States Trustee”). I am assigned to this matter by my office and as such, have knowledge and information about this Chapter 11 bankruptcy case. I submit this Declaration in support of motion of the United States Trustee to convert the case of Triax Capital Advisor LLC (the “Debtor”) or dismiss this case (the “Motion”).
2. The Debtor filed its Chapter 11 case on December 11, 2019.
3. On December 27, 2019, the Debtor filed its Local Rule 1007-2 statement, signed by Joseph Sarachek (the “Local Rule Affidavit”) (Dkt. No. 5). A true and complete copy of the Local Rule Affidavit is attached as Exhibit A.
4. On January 16, 2020, the Debtor filed its Schedules of Assets and Liabilities (“Schedules”) and Statement of Financial Affairs (the “SOFA”) (Dkt. No. 12). The Debtor listed total assets of \$2,679,094.83 (Schedules A and B) and total liabilities of \$4,257,597.74 (Schedules D and F). The Debtor’s major assets were listed as a “Stamford International Trade Claim” in the amount of \$1,200,000 and a “LPAQ, LLC” interest with a value of \$1,300,000. See Schedule A/B, question 15.

5. The United States Trustee conducted the meeting of creditors on February 27, 2020 (the “Creditors’ Meeting”). My records of the Creditors’ Meeting reflect that Mr. Sarachek could not provide certain basic information about the Debtor, including tax returns and a list of amounts paid by the Debtor to Mr. Sarachek and his family members in the last three years. Mr. Sarachek agreed to provide certain information by the close of business on March 5, 2020. A true and correct copy of the United States Trustee’s letter dated February 27, 2020 to Debtor’s counsel reflecting the United States Trustee requests (the “United States Trustee Letter”) is attached as Exhibit B.

6. My records reflect that the Debtor did not provide any of the documents requested in the United States Trustee Letter.

7. The Debtor did file its January 2020 monthly operating report (the “January MOR”). However, the docket reflects that the Debtor did not file a monthly operating report after that January MOR. A copy of the January MOR is attached as Exhibit C.

I declare under penalty of perjury that the information contained in this Declaration is true and correct.

Dated: New York, New York
March 26, 2020

/s/ Greg M. Zipes
GREG M. ZIPES